## Department of Veterans Affairs

### Memorandum

Date: November 19, 2014

From: Deputy Senior Procurement Executive

subj: Class Deviation from VA Acquisition Regulation 801.603-70, Representatives of Contracting Officers

To: Heads of Contracting Activities (HCAs)

- **1. Purpose**: The purpose of this deviation is to approve a class deviation, in accordance with Federal Acquisition Regulation (FAR) 1.404 <u>Class Deviations</u> and Veterans Affairs Acquisition Regulation (VAAR) 801.404 <u>Class Deviations</u>. The deviation applies to VAAR 801.603-70 Representatives of Contracting Officers.
- 2. VA Acquisition Regulation (VAAR) Section Impacted: VAAR 801.603-70(b).

3. Effective Date: Immediately

**4. Expiration Date:** Effective until incorporated into the revised VAAR.

**5. Applicability:** This deviation applies to non-VA awards containing provisions for the use of ordering officers.

6. Exception: N/A

#### 7. Background:

- a. **Current VAAR Policy:** In 2010, the Department issued an ordering officer deviation to allow a Contracting Officer (CO) to grant non-warranted individuals the authority to place orders using any VA-awarded contract or Blanket Purchase Agreement (BPA). However, the 2010 deviation did not contain an ordering officer provisions for use under contracts awarded outside VA.
- b. **Need for Deviation:** In August 2008, the Office of Management and Budget (OMB) required Federal agencies to use the General Services Administration (GSA) Networx contract to acquire various telecommunications requirements. The contract contains provisions for the appointment of Designated Agency Representatives (DARs) or Contracting Officer Representatives (CORs), who have authorization to place Networx orders for their agencies' telecommunications service requirements. The 2010 deviation does not allow ordering officer appointments for non-VA contracts. Networx is a non-VA contract awarded by GSA, and required for agency use by OMB. The issuance of a deviation is required to allow ordering officer appointments for Networx and other non-VA contracts when they are mandated for agency use or when necessary for efficient ordering of large or complex workloads.

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- c. **New Policy:** This deviation grants VA Contracting Officers the authority to appoint ordering officers for non-VA contracts.
- **8. Attachment:** VA Deviation from VAAR 801.603-70 Determination and Findings (D & F)
- **9. Additional Information:** Questions or comments regarding this class deviation may be directed to Procurement Policy Service and Warrant Management, at (202) 632-5288 or VA.Procurement, Policy@va.gov.

/s/ C. Ford Heard III ADAS for Procurement, Policy, Systems and Oversight

## Class Deviation from the Department of Veterans Affairs Acquisition Regulation 801.603-70, Representatives of Contracting Officers

#### <u>Findings</u>

The Department of Veterans Affairs Acquisition Regulation (VAAR), Section 801.603-70, Representatives of Contracting Officers, authorizes a Contracting Officer (CO) to designate another government employee as a Contracting Officer's Representative (COR). CORs are members of the acquisition workforce who act as representatives of COs to manage, monitor, or administer the "technical aspects" of a contract award in addition to ensuring a contract's overall requirements and objectives are met.

In August 2008, OMB memorandum M-08-26 directed Federal agencies to use the General Services Administration's (GSA) Networx contract for all telecommunications requirements. GSA further directed each agency to appoint a Designated Agency Representative (DAR) Administrator with authority to appoint other DARs as needed. The DAR arrangement was established to provide agencies with the means to efficiently manage large ordering volumes and frequent changes. The DAR is the designated individual authorized to place orders under the Networx services contract. VA has used Networx since FY09 with minimal CO oversight.

A class deviation to VAAR 801.603-70(b)(2)(i) was issued October 20, 2010 allowing the Department's National Acquisition Center (NAC) COs authority to issue ordering officer designations to non-warranted personnel. These individuals were allowed to place funded delivery orders against the NAC's prime vendor contracts. The deviation did not extend the use of ordering officers to non-VA contracts. The Networx contract is a non-VA contract mandated by OMB for agency use. A change to the 2010 deviation is required so ordering officers may be used for non-VA contracts. Heads of Contracting Activities (HCAs) should only approve other agency contracts where prices are preestablished and no further negotiations are required.

In order to implement procedures allowing COs to designate personnel as ordering officers for non-VA awards, a deviation to VAAR 801.603-70(b) is necessary.

#### **Determination**

In accordance with VAAR 801.404, I hereby issue a class deviation whereby COs may issue ordering delegations to non-warranted VA personnel to place funded orders against non-VA IDIQ contract awards, subject to HCA approval.

| <u>/s/</u>                          | 11/19/2014 |
|-------------------------------------|------------|
| C. Ford Heard, III                  | Date       |
| Deputy Senior Procurement Executive |            |

# Class Deviation from Department of Veterans Affairs Acquisition Regulation 801.603-70, Representatives of Contracting Officers Class Deviation

#### 801.603-70 - Representatives of contracting officers.

- (a) In carrying out the responsibilities of FAR 1.602-2, the contracting officer may designate another Government employee as COR to perform the functions in this section and 801.603-71.
- (1) Except as indicated in 801.603-71, a designation under this section must be in writing, must define the scope and limitation of the representative's authority, and must be addressed to the COR with a copy forwarded to the contractor.
  - (2) The COR may not re-delegate authority received under this paragraph.
- (3) The contracting officer may not authorize a representative to make any commitment or change that will affect the price, quantity, quality, or delivery terms of a contract.
- (4) A contracting officer acting within his or her warranted contracting authority must authorize any change to a contract.
- (b) A contracting officer may authorize his or her technical representative to do the following:
- (1) Furnish technical guidance and advice or generally supervise the work performed under the contract.
- (2) Take any action authorized in the contract, such as issuing a delivery order, rejecting an unsatisfactory item, ordering a replacement of an unsatisfactory item (materials or services) or declaring a contractor in default on specific delivery orders.
- (i) Except for a contract for blood, and orders placed by duly authorized ordering officials against awarded indefinite delivery vehicles, the contracting officer may delegate this authority only to other Government contracting officers under centralized indefinite delivery type contracts and the contract will so state.

- (ii) A centralized contract for blood must state that a contracting officer at an ordering office may designate representatives and alternate representatives to place a delivery order subject to the same restrictions in paragraph (b)(3) of this section.
- (iii) A contracting officer may designate individuals as ordering officers with the authority to execute orders against an awarded indefinite delivery vehicle subject to restrictions in paragraph (b)(4).
- (3) Place an oral or other informal delivery order for items such as, but not limited to, bread, milk, and blood against a local indefinite delivery type contract for which there is a blanket purchase arrangement and for which funds have been obligated.
- (4) Ordering officer. HCAs must establish procedures to delegate authority to non-warranted VA personnel to place orders against their own indefinite delivery vehicles where fixed terms and prices are established in the contract. Ordering officers do not have the authority to negotiate, determine price reasonableness, or determine best value. The contract must state that a contracting officer may designate representatives and alternate representatives to place orders against the indefinite delivery vehicle. Ordering office authority limitations are to be established through individual appointment letters.
- (5) Ordering officer Non Veterans Affairs (VA) contract awards. HCAs must establish procedures to delegate authority to non-warranted VA personnel to place orders against HCA-approved vehicles. Order procedures must limit placement to use of existing terms and prices. Ordering officers do not have the authority to negotiate, determine price reasonableness, or determine best value. The contract must state that a contracting officer may designate representatives and alternate representatives to place orders against the indefinite-delivery vehicle. Ordering officer authority limitations are to be established through individual appointment letters, and must include order placement procedures.
- (c) In the administration of research and development contracts, any representative appointed under this section must be acceptable to the contracting officer and the head of the organization concerned.

(d) When the contracting officer intends to designate a representative under this section for a particular solicitation or contract, the contracting officer must include the clause in 852.270-1, Representatives of contracting officers, in the solicitation and contract.

#### **END**